

Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 24-0904.01 Sarah Lozano x3858

HOUSE BILL 24-1346

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HOUSE SPONSORSHIP

Titone and McCormick,

SENATE SPONSORSHIP

Hansen and Priola,

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House Committees  
Energy & Environment

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING ENERGY AND CARBON MANAGEMENT REGULATION IN  
102 COLORADO, AND, IN CONNECTION THEREWITH, BROADENING  
103 THE ENERGY AND CARBON MANAGEMENT COMMISSION'S  
104 REGULATORY AUTHORITY TO INCLUDE REGULATION OF DIRECT  
105 AIR CAPTURE FACILITIES AND GEOLOGIC STORAGE OPERATIONS.

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Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The bill expands the authority of the energy and carbon management commission (commission) to include the regulation of:

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters or bold & italic numbers indicate new material to be added to existing law.*  
*Dashes through the words or numbers indicate deletions from existing law.*

- Facilities that use equipment to capture a significant quantity of carbon dioxide directly from the ambient air (direct air capture facility); and
- Activities performed for the purpose of engaging in the injection and underground sequestration of carbon dioxide in pore space (geologic storage operations).

The commission may:

- Reimpose any regulatory responsibility or financial assurance obligation imposed on a person that exercises the right to control the conduct of geologic storage operations (geologic storage operator) if the geologic storage operator makes a material misrepresentation or omission that causes the commission to approve a site closure; and
- Assess and collect regulatory and permitting fees from geologic storage operators.

The bill also allows the commission to hire and designate employees of the commission as administrative law judges who have the authority to administer proceedings on behalf of the commission.

Current law provides a statute of limitations of one year after the date of an alleged violation of energy and carbon management laws (violation). The bill changes this statute of limitations to 3 years after the discovery of the alleged violation and provides that the 3-year statute of limitations period does not apply if information regarding the alleged violation is knowingly or willfully concealed by the alleged violator.

The bill also expands the following energy and carbon management law areas to include geologic storage operations and direct air capture facilities:

- Enforcement and civil penalty procedures;
- Use of the energy and carbon management cash fund by the commission;
- Mitigation of adverse environmental impacts by the commission or an operator; and
- State agency and local government authority over oil and gas development.

The commission is required to adopt rules related to the permitting and regulation of direct air capture facilities. When reviewing an application for a direct air capture facility, the commission must consider whether a setback of the direct air capture facility from certain areas is necessary and reasonable to protect and minimize adverse impacts to public health, safety, and welfare; the environment; and wildlife resources. The commission may assess and collect permitting and regulatory fees from the operators of direct air capture facilities.

The bill also establishes that:

- Ownership of a portion of a pore space necessary for geologic storage (sequestration estate) is vested in the

owner of the overlying surface estate if the sequestration estate has not been separately severed, conveyed, or reserved;

- Any conveyance of the ownership of an overlying surface estate also conveys the grantor's ownership of any sequestration estate except in certain circumstances; and
- A conveyance of the ownership of a mineral estate does not convey the grantor's ownership in the sequestration estate unless the conveyance instrument provides for the conveyance.

Upon application of any interested person, the commission must hold a hearing and enter an order (order) providing for the formation of a unit of one or more geologic storage resources (geologic storage unit) if the commission finds that the geologic storage unit is reasonably necessary to effectuate a geologic storage project. The order must include terms and conditions that are just and reasonable and establish a plan for operations of the geologic storage unit (plan). An order is effective only if the plan has been approved by those persons that collectively own at least 75% of the geologic storage resources included in the geologic storage unit area (required approval) and the commission makes a finding in the order of the required approval.

The bill also allows a local government to request that the director of the commission appoint a technical review board to assist a local government in analyzing and answering any technical questions regarding the local government's land use regulations.

The bill also requires the department of public health and environment (department) to develop carbon dioxide accounting procedures for geologic storage operations and direct air capture facilities. The commission must compile relevant data to support the carbon dioxide accounting procedures and work collaboratively with the department in implementing the carbon dioxide accounting procedures. The commission and the department must also work collaboratively to address air emissions from direct air capture facilities and geologic storage operations.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 34-60-102, **add** (3)

3 as follows:

4 **34-60-102. Legislative declaration.** (3) IT IS FURTHER DECLARED

5 TO BE IN THE BEST INTEREST OF THE STATE FOR THE COMMISSION TO

1 IMPLEMENT AND ADMINISTER A PROGRAM FOR THE PERMITTING AND  
2 REGULATION OF DIRECT AIR CAPTURE FACILITIES AND GEOLOGIC STORAGE  
3 OPERATIONS BECAUSE THE CAPTURE AND STORAGE OF CARBON DIOXIDE:

4 (a) IS AN IMPORTANT TOOL IN ACHIEVING THE STATE'S  
5 GREENHOUSE GAS EMISSION REDUCTION GOALS, AS SET FORTH IN SECTION  
6 25-7-102 (2)(g);

7 (b) PROVIDES BENEFITS TO THE STATE AND GLOBAL ENVIRONMENT  
8 BY REDUCING CARBON DIOXIDE EMISSIONS;

9 (c) PROVIDES JUST TRANSITION OPPORTUNITIES TO RETAIN  
10 WORKERS; AND

11 (d) ENABLES THE USE OF COLORADO'S ABUNDANT NATURAL  
12 RESOURCES FOR THE PERMANENT STORAGE OF CARBON DIOXIDE.

13 **SECTION 2.** In Colorado Revised Statutes, **amend** 34-60-103 as  
14 follows:

15 **34-60-103. Definitions - rules.** As used in this article 60, unless  
16 the context otherwise requires:

17 (1) "And" includes the word "or" and the use of the word "or"  
18 includes the word "and". The use of the plural includes the singular and  
19 the use of the singular includes the plural.

20 (2) "CARBON DIOXIDE" MEANS NATURALLY OCCURRING,  
21 GEOLOGICALLY SOURCED, OR ANTHROPOGENICALLY SOURCED CARBON  
22 DIOXIDE, INCLUDING ITS DERIVATIVES AND ALL MIXTURES, COMBINATIONS,  
23 AND PHASES, WHETHER LIQUID, GASEOUS, SUPER-CRITICAL, OR SOLID AND  
24 WHETHER STRIPPED, SEGREGATED, OR DIVIDED FROM ANY OTHER FLUID  
25 STREAM.

26 (3) (a) "CARBON DIOXIDE FLOW LINE" MEANS A SEGMENT OF PIPE  
27 TRANSFERRING CARBON DIOXIDE BETWEEN THE WELLHEAD OF A CLASS VI

1 INJECTION WELL AND A PIPELINE REGULATED BY THE PIPELINE AND  
2 HAZARDOUS MATERIALS SAFETY ADMINISTRATION OF THE UNITED STATES  
3 DEPARTMENT OF TRANSPORTATION OR THE PUBLIC UTILITIES COMMISSION.

4 (b) "CARBON DIOXIDE FLOW LINE" DOES NOT INCLUDE PIPELINES  
5 REGULATED BY THE PIPELINE AND HAZARDOUS MATERIALS SAFETY  
6 ADMINISTRATION OF THE UNITED STATES DEPARTMENT OF  
7 TRANSPORTATION OR THE PUBLIC UTILITIES COMMISSION.

8 (4) "CLASS VI INJECTION WELL" MEANS A WELL DRILLED  
9 PURSUANT TO A PERMIT FOR A CLASS VI INJECTION WELL ISSUED UNDER  
10 THE FEDERAL "SAFE DRINKING WATER ACT", 42 U.S.C. SEC. 300f ET SEQ.,  
11 AS AMENDED.

12 ~~(2)~~ (5) "Commission" means the energy and carbon management  
13 commission created in section 34-60-104.3 (1).

14 ~~(3)~~ (6) "Common source of supply" is synonymous with "pool" as  
15 defined in this section.

16 ~~(4)~~ (7) (a) "Correlative rights" means that each owner and  
17 producer in a common pool or source of supply of oil and gas ~~shall~~ MUST  
18 have an equal opportunity to obtain and produce ~~his~~ THE OWNER'S OR  
19 PRODUCER'S just and equitable share of the oil and gas underlying ~~such~~  
20 THE pool or source of supply.

21 (b) AS USED IN SECTION 34-60-142, "CORRELATIVE RIGHTS" MEANS  
22 THAT EACH OWNER OF A SEQUESTRATION ESTATE MUST HAVE AN EQUAL  
23 OPPORTUNITY TO UTILIZE THE OWNER'S JUST AND EQUITABLE SHARE OF  
24 THE UNDERLYING GEOLOGIC STORAGE RESOURCE.

25 (8) (a) "DIRECT AIR CAPTURE FACILITY" MEANS A FACILITY THAT  
26 USES EQUIPMENT TO CAPTURE A SIGNIFICANT QUANTITY OF CARBON  
27 DIOXIDE DIRECTLY FROM THE AMBIENT AIR OR AS OTHERWISE DEFINED BY

1 THE COMMISSION BY RULE.

2 (b) "DIRECT AIR CAPTURE FACILITY" DOES NOT INCLUDE A  
3 FACILITY THAT ENGAGES IN INCIDENTAL CAPTURE OF CARBON DIOXIDE.

4 (9) "DISPROPORTIONATELY IMPACTED COMMUNITY" HAS THE  
5 MEANING SET FORTH IN SECTION 24-4-109 (2)(b)(II).

6 ~~(4.3)~~ (10) "Division of parks and wildlife" means the division of  
7 parks and wildlife identified in article 9 of title 33. ~~C.R.S.~~

8 (11) "ENERGY AND CARBON MANAGEMENT OPERATIONS" MEANS  
9 OIL AND GAS OPERATIONS, GEOLOGIC STORAGE OPERATIONS, AND  
10 OPERATIONS OF DIRECT AIR CAPTURE FACILITIES.

11 (12) "ENERGY AND CARBON MANAGEMENT OPERATOR" MEANS AN  
12 OPERATOR, A GEOLOGIC STORAGE OPERATOR, AND AN OPERATOR OF A  
13 DIRECT AIR CAPTURE FACILITY.

14 ~~(4.5)~~ (13) "Exploration and production waste" means those wastes  
15 that are generated during the drilling of and production from oil and gas  
16 wells; during the drilling of and production from wells for deep  
17 geothermal operations, as defined in section 37-90.5-103 (3), regulated  
18 by the commission pursuant to article 90.5 of title 37; or during primary  
19 field operations and that are exempt from regulation as hazardous wastes  
20 under Subtitle C of the federal "Resource Conservation and Recovery Act  
21 of 1976", 42 U.S.C. secs. 6901 to 6934, as amended.

22 ~~(5)~~ (14) "Gas" means all natural gases and all hydrocarbons not  
23 defined in this section as oil.

24 (15) "GEOLOGIC STORAGE" MEANS THE INJECTION AND  
25 UNDERGROUND SEQUESTRATION OF CARBON DIOXIDE IN A GEOLOGIC  
26 STORAGE RESOURCE PURSUANT TO A VALID CLASS VI PERMIT ISSUED  
27 PURSUANT TO THE FEDERAL "SAFE DRINKING WATER ACT", 42 U.S.C.

1 SEC. 300f ET SEQ., AS AMENDED.

2 (16) "GEOLOGIC STORAGE FACILITY" MEANS THE SPECIFIC PART OF  
3 A GEOLOGIC STORAGE RESOURCE THAT IS UTILIZED FOR GEOLOGIC  
4 STORAGE, TOGETHER WITH THE WELL OR WELLS AND ALL SURFACE  
5 EQUIPMENT AND DISTURBANCES ASSOCIATED WITH THE GEOLOGIC  
6 STORAGE OPERATIONS AT THE GEOLOGIC STORAGE LOCATION.

7 (17) "GEOLOGIC STORAGE LOCATION" MEANS A DEFINABLE AREA  
8 WHERE A GEOLOGIC STORAGE OPERATOR USES OR INTENDS TO USE THE  
9 SURFACE OF THE LAND IN ORDER TO OPERATE A GEOLOGIC STORAGE  
10 FACILITY.

11 (18) "GEOLOGIC STORAGE OPERATIONS" MEANS ACTIVITIES  
12 PERFORMED FOR THE PURPOSE OF ENGAGING IN GEOLOGIC STORAGE IN THE  
13 STATE, INCLUDING:

14 (a) THE FOLLOWING ACTIVITIES RELATED TO THE OPERATION OF A  
15 GEOLOGIC STORAGE FACILITY:

- 16 (I) DRILLING TEST BORES AND MONITORING WELLS;
- 17 (II) SITING;
- 18 (III) INSTALLING AND OPERATING CARBON DIOXIDE FLOW LINES;
- 19 (IV) DRILLING;
- 20 (V) DEEPENING;
- 21 (VI) RECOMPLETING;
- 22 (VII) REWORKING; AND
- 23 (VIII) ABANDONING;

24 (b) INJECTING CARBON DIOXIDE FOR THE PURPOSE OF GEOLOGIC  
25 STORAGE;

26 (c) ANY CONSTRUCTING, SITE PREPARING, OR RECLAIMING  
27 ACTIVITIES ASSOCIATED WITH THE ACTIVITIES DESCRIBED IN SUBSECTION

1 (18)(a) OR (18)(b) OF THIS SECTION; AND

2 (d) ANY OTHER ACTIVITIES DETERMINED BY THE COMMISSION TO  
3 BE NECESSARY TO PROTECT AND MINIMIZE ADVERSE IMPACTS ASSOCIATED  
4 WITH GEOLOGIC STORAGE TO PUBLIC HEALTH, SAFETY, WELFARE, THE  
5 ENVIRONMENT, AND NATURAL RESOURCES.

6 (19) "GEOLOGIC STORAGE OPERATOR" MEANS ANY PERSON THAT  
7 EXERCISES THE RIGHT TO CONTROL THE CONDUCT OF GEOLOGIC STORAGE  
8 OPERATIONS.

9 (20) (a) "GEOLOGIC STORAGE RESOURCE" MEANS PORE SPACE  
10 NECESSARY FOR GEOLOGIC STORAGE.

11 (b) "GEOLOGIC STORAGE RESOURCE" DOES NOT INCLUDE AN  
12 UNDERGROUND SOURCE OF DRINKING WATER, AS DEFINED IN 40 CFR  
13 144.3.

14 (21) "GEOLOGIC STORAGE UNIT" MEANS A UNIT OF ONE OR MORE  
15 GEOLOGIC STORAGE RESOURCES OR PARTS OF A GEOLOGIC STORAGE  
16 RESOURCE ESTABLISHED BY THE COMMISSION PURSUANT TO SECTION  
17 34-60-142.

18 (22) "GEOLOGIC STORAGE UNIT AREA" MEANS ANY GEOLOGIC  
19 STORAGE RESOURCE, OR PART OF A GEOLOGIC STORAGE RESOURCE,  
20 INCLUDED IN A GEOLOGIC STORAGE UNIT.

21 ~~(5.3)~~ (23) "Local government" means ~~except with regard to~~  
22 ~~section 34-60-104 (2)(a)(I)~~; a:

23 (a) Municipality or city and county within whose boundaries an  
24 oil and gas location, GEOLOGIC STORAGE LOCATION, OR DIRECT AIR  
25 CAPTURE FACILITY is sited or proposed to be sited; or

26 (b) County, if an oil and gas location, GEOLOGIC STORAGE  
27 LOCATION, OR DIRECT AIR CAPTURE FACILITY is sited or proposed to be



1 sited within the boundaries of the county but is not located within a  
2 municipality or city and county.

3 ~~(5.5)~~ (24) "Minimize adverse impacts" means, to the extent  
4 necessary and reasonable to protect public health, safety, and welfare; the  
5 environment; and wildlife resources, to:

6 (a) Avoid adverse impacts from ~~oil and gas~~ ENERGY AND CARBON  
7 MANAGEMENT operations; and

8 (b) Minimize and mitigate the extent and severity of those impacts  
9 that cannot be avoided.

10 ~~(6)~~ (25) "Oil" means crude petroleum oil and any other  
11 hydrocarbons, regardless of gravities, ~~which~~ THAT are produced at the  
12 well in liquid form by ordinary production methods and ~~which~~ THAT are  
13 not the result of condensation of gas before or after it leaves the reservoir.

14 ~~(6.2)~~ (26) "Oil and gas facility" means equipment or  
15 improvements used or installed at an oil and gas location for the  
16 exploration, production, withdrawal, treatment, or processing of crude oil,  
17 condensate, exploration and production waste, or gas.

18 ~~(6.4)~~ (27) "Oil and gas location" means a definable area where an  
19 oil and gas operator has disturbed or intends to disturb the land surface in  
20 order to locate an oil and gas facility.

21 ~~(6.5)~~ (28) "Oil and gas operations" means exploration for oil and  
22 gas, including:

23 (a) The conduct of seismic operations and the drilling of test  
24 bores;

25 (b) The siting, drilling, deepening, recompletion, reworking, or  
26 abandonment of an oil and gas well, underground injection well, or gas  
27 storage well;

1 (c) Production operations related to any ~~such~~ well DESCRIBED IN  
2 SUBSECTION (28)(b) OF THIS SECTION, including the installation of flow  
3 lines and gathering systems;

4 (d) The generation, transportation, storage, treatment, or disposal  
5 of exploration and production wastes; and

6 (e) Any construction, site preparation, or reclamation activities  
7 associated with ~~such~~ THE operations DESCRIBED IN THIS SUBSECTION (28).

8 ~~(6.8)~~ (29) "Operator" means any person ~~who~~ THAT exercises the  
9 right to control the conduct of oil and gas operations.

10 ~~(7)~~ (30) "Owner" means the person ~~who~~ THAT has the right to drill  
11 into and produce from a pool and to appropriate the oil or gas ~~he~~ THE  
12 PERSON produces ~~therefrom~~ FROM THE POOL either for ~~himself~~ THE  
13 PERSON or others or for ~~himself~~ THE PERSON and others, including the  
14 owner of a well capable of producing oil or gas, or both.

15 ~~(7.1)~~ (31) "Parks and wildlife commission" means the parks and  
16 wildlife commission created in section 33-9-101. ~~C.R.S.~~

17 ~~(7.5)~~ (32) "Permit" means any permit, sundry notice, notice of  
18 intention, or other approval, including any conditions of approval, ~~which~~  
19 THAT is granted, issued, or approved by the commission.

20 ~~(8)~~ (33) "Person" means any natural person, corporation,  
21 association, partnership, receiver, trustee, executor, administrator,  
22 guardian, fiduciary, or other representative of any kind and includes any  
23 department, agency, or instrumentality of the state or any governmental  
24 subdivision ~~thereof~~ OF THE DEPARTMENT, AGENCY, OR INSTRUMENTALITY  
25 OF THE STATE.

26 ~~(9)~~ (34) "Pool" means an underground reservoir containing a  
27 common accumulation of oil or gas, or both. Each zone of a general

1 structure, which zone is completely separated from any other zone in the  
2 structure, is covered by the word "pool" as used in this ~~article~~ ARTICLE 60.

3 (35) "PORE SPACE" MEANS A CAVITY OR VOID, WHETHER NATURAL  
4 OR ARTIFICIALLY CREATED, IN A SUBSURFACE STRATUM.

5 ~~(10)~~ (36) "Producer" means the owner of a well capable of  
6 producing oil or gas, or both.

7 (37) "SEQUESTRATION ESTATE" MEANS A PORTION OF A GEOLOGIC  
8 STORAGE RESOURCE.

9 ~~(10.5)~~ (38) "Surface owner" means any person owning all or part  
10 of the surface of land upon which ~~oil and gas~~ ENERGY AND CARBON  
11 MANAGEMENT operations are conducted, as shown by the tax records of  
12 the county in which the tract of land is situated, or any person with such  
13 rights under a recorded contract to purchase.

14 ~~(10.7)~~ (39) "Underground natural gas storage cavern" means a  
15 facility that stored natural gas in an underground cavern or abandoned  
16 mine on or before January 1, 2000. An underground natural gas storage  
17 cavern includes all surface or subsurface rights and appurtenances  
18 associated with the underground injection, storage, and withdrawal of  
19 natural gas, but does not include any compressor stations or pipeline  
20 facilities subject to regulation by the public utilities commission or the  
21 United States department of transportation.

22 ~~(11)~~ (40) "Waste", as applied to gas:

23 (a) Includes the escape, blowing, or releasing, directly or  
24 indirectly into the open air, of gas from wells productive of gas only, or  
25 gas in an excessive or unreasonable amount from wells producing oil or  
26 both oil and gas; and the production of gas in quantities or in such manner  
27 as unreasonably reduces reservoir pressure or, subject to subsection

1     ~~(11)(b)~~ (40)(b) of this section, unreasonably diminishes the quantity of oil  
2     or gas that ultimately may be produced; excepting gas that is reasonably  
3     necessary in the drilling, completing, testing, and in furnishing power for  
4     the production of wells; and

5             (b) Does not include the nonproduction of gas from a formation  
6     if necessary to protect public health, safety, and welfare; the environment;  
7     or wildlife resources as determined by the commission.

8             ~~(12)~~ (41) "Waste", as applied to oil:

9             (a) Includes underground waste; inefficient, excessive, or  
10     improper use or dissipation of reservoir energy, including gas energy and  
11     water drive; surface waste; open-pit storage; and waste incident to the  
12     production of oil in excess of the producer's aboveground storage  
13     facilities and lease and contractual requirements, but excluding storage,  
14     other than open-pit storage, reasonably necessary for building up or  
15     maintaining crude stocks and products of crude stocks for consumption,  
16     use, and sale; and

17             (b) Does not include the nonproduction of oil from a formation if  
18     necessary to protect public health, safety, and welfare; the environment;  
19     or wildlife resources as determined by the commission.

20             ~~(13)~~ (42) "Waste", in addition to the meanings as set forth in  
21     subsections ~~(11)~~ (40) and ~~(12)~~ (41) of this section:

22             (a) Means, subject to subsection ~~(13)(b)~~ (42)(b) of this section:

23             (I) Physical waste, as that term is generally understood in the oil  
24     and gas industry;

25             (II) The locating, spacing, drilling, equipping, operating, or  
26     producing of any oil or gas well or wells in a manner that causes or tends  
27     to cause reduction in quantity of oil or gas ultimately recoverable from a

1 pool under prudent and proper operations or that causes or tends to cause  
2 unnecessary or excessive surface loss or destruction of oil or gas; and

3 (III) Abuse of the correlative rights of any owner in a pool due to  
4 nonuniform, disproportionate, unratable, or excessive withdrawals of oil  
5 or gas from the pool, causing reasonably avoidable drainage between  
6 tracts of land or resulting in one or more producers or owners in the pool  
7 producing more than an equitable share of the oil or gas from the pool;  
8 and

9 (b) Does not include the nonproduction of oil or gas from a  
10 formation if necessary to protect public health, safety, and welfare; the  
11 environment; or wildlife resources as determined by the commission.

12 ~~(14) Repealed.~~

13 ~~(15)~~ (43) "Wildlife resources" means fish, wildlife, and their  
14 aquatic and terrestrial habitats.

15 **SECTION 3.** In Colorado Revised Statutes, 34-60-105, **amend**  
16 (1)(b) introductory portion and (1)(b)(V) as follows:

17 **34-60-105. Powers of commission.** (1) (b) Any delegation of  
18 authority to any other state officer, board, or commission to administer  
19 any other laws of this state relating to the conservation of oil or gas, or  
20 either of them, is hereby rescinded and withdrawn, and that authority is  
21 unqualifiedly conferred upon the commission, as provided in this section;  
22 except that, as further specified in section 34-60-131, nothing in this  
23 article 60 alters, impairs, or negates the authority of:

24 (V) A local government to regulate ~~oil and gas~~ ENERGY AND  
25 CARBON MANAGEMENT operations pursuant to section 29-20-104.

26 **SECTION 4.** In Colorado Revised Statutes, 34-60-106, **amend**  
27 (9)(c)(II), (9)(c)(III)(A), (9)(c)(III)(B), (9)(c)(IV)(A), (9)(c)(IV)(C),

1 (9)(c)(IV)(D), (9)(d) introductory portion, (9)(d)(I), (9)(d)(II), (9)(d)(III),  
2 and (22); **repeal** (9)(e)(III); and **add** (9)(c)(IV)(D.5) and (9)(d.5) as  
3 follows:

4 **34-60-106. Additional powers of commission - fees - rules -**  
5 **definitions - repeal.** (9) (c) (II) The commission may issue and enforce  
6 permits ~~as necessary for the purpose set forth in this subsection (9)(c)~~ FOR  
7 GEOLOGIC STORAGE OPERATIONS AND MAY REGULATE GEOLOGIC STORAGE  
8 OPERATIONS after the commission makes the determination and holds the  
9 hearing set forth in subsection (9)(c)(I) of this section and the commission  
10 and the governor satisfy the requirements set forth in subsection (9)(a) of  
11 this section.

12 (III) (A) ~~If the class VI injection well~~ A GEOLOGIC STORAGE  
13 LOCATION is proposed to be sited in an area that would affect a  
14 disproportionately impacted community, the commission shall weigh the  
15 geologic storage operator's submitted cumulative impacts analysis and  
16 determine whether, on balance, the ~~class VI injection well~~ GEOLOGIC  
17 STORAGE LOCATION will have a positive effect on the disproportionately  
18 impacted community. A proposal that will have negative net cumulative  
19 impacts on any disproportionately impacted community must be denied.  
20 The commission's decision must include a plain language summary of its  
21 determination.

22 (B) The commission may amend by rule the cumulative ~~effects~~  
23 IMPACTS analysis and requirements set forth in this subsection (9)(c)(III)  
24 if the commission finds the analysis and requirements to be inconsistent  
25 with, or incomplete with respect to, the federal environmental protection  
26 agency's requirements for class VI primacy.

27 (IV) (A) The commission shall require each ~~operator of a class VI~~

1 ~~injection well~~ GEOLOGIC STORAGE OPERATOR to provide adequate  
2 financial assurance demonstrating that the GEOLOGIC STORAGE operator  
3 is financially capable of fulfilling every obligation imposed on the  
4 operator under this article 60 and under rules that the commission adopts  
5 pursuant to this article 60.

6 (C) The commission shall adopt rules requiring that the financial  
7 assurance cover the cost of obligations that are in addition to the  
8 obligations listed in subsection (9)(c)(IV)(B) of this section if the  
9 additional obligations are reasonably associated with class VI injection  
10 wells and GEOLOGIC STORAGE locations.

11 (D) ~~An operator~~ A GEOLOGIC STORAGE OPERATOR shall maintain  
12 the financial assurance required under this subsection (9)(c)(IV) or under  
13 any rules adopted pursuant to this subsection (9)(c)(IV) until the  
14 commission approves site closure, as specified in rules adopted by the  
15 commission. Commission approval of a site closure does not otherwise  
16 modify an operator's responsibility to comply with applicable laws.

17 (D.5) IF A GEOLOGIC STORAGE OPERATOR MAKES A MATERIAL  
18 MISREPRESENTATION OR OMISSION THAT CAUSES THE COMMISSION TO  
19 APPROVE A SITE CLOSURE PURSUANT TO SUBSECTION (9)(c)(IV)(D) OF  
20 THIS SECTION, THE COMMISSION MAY REIMPOSE ANY REGULATORY  
21 RESPONSIBILITY OR FINANCIAL ASSURANCE OBLIGATION IMPOSED ON THE  
22 GEOLOGIC STORAGE OPERATOR PURSUANT TO SUBSECTION (9)(c)(IV)(A)  
23 OF THIS SECTION.

24 (d) In issuing and enforcing permits ~~pursuant to subsection (9)(c)~~  
25 ~~of this section~~ FOR GEOLOGIC STORAGE OPERATIONS, the commission shall  
26 ensure, after a public hearing, that:

27 (I) The permitting of a ~~class VI injection well~~ GEOLOGIC STORAGE

1 LOCATION complies with a local government's siting of the ~~proposed class~~  
2 ~~VI injection well~~ GEOLOGIC STORAGE location;

3 (II) The proposed new or modified ~~class VI injection well~~  
4 GEOLOGIC STORAGE LOCATION has received ~~an~~ ANY applicable air ~~permit~~  
5 PERMITS from the division of administration in the department of public  
6 health and environment;

7 (III) The GEOLOGIC STORAGE operator ~~of the class VI injection~~  
8 ~~well~~ has received the consent of any surface owner or owners of the land  
9 where the surface disturbance will occur and has provided the  
10 commission a written contractual agreement that the surface owner or  
11 owners have executed; and

12 (d.5) (I) FOR THE PURPOSES OF IMPLEMENTING AND  
13 ADMINISTERING THIS SUBSECTION (9), THE COMMISSION MAY ASSESS AND  
14 COLLECT REGULATORY AND PERMITTING FEES FROM GEOLOGIC STORAGE  
15 OPERATORS IN AN AMOUNT AND FREQUENCY DETERMINED BY THE  
16 COMMISSION BY RULE.

17 (II) THE COMMISSION SHALL TRANSFER ANY FEES ASSESSED AND  
18 COLLECTED PURSUANT TO SUBSECTION (9)(d.5)(I) OF THIS SECTION TO THE  
19 STATE TREASURER, WHO SHALL CREDIT THE FEES TO THE ENERGY AND  
20 CARBON MANAGEMENT CASH FUND CREATED IN SECTION 34-60-122 (5).

21 (e) As used in this subsection (9), unless the context otherwise  
22 requires:

23 (III) "~~Disproportionately impacted community~~" has the meaning  
24 ~~set forth in section 24-4-109 (2)(b)(II)~~.

25 (22) (a) The commission shall create and maintain a website that  
26 serves as the state portal for information and data regarding the  
27 commission's regulatory activities.



1 (b) (I) FOR THE 2024-25 STATE FISCAL YEAR, THE GENERAL  
2 ASSEMBLY SHALL APPROPRIATE MONEY TO THE ENERGY AND CARBON  
3 MANAGEMENT CASH FUND FOR THE PURPOSES SPECIFIED IN THIS  
4 SUBSECTION (22).

5 (II) THIS SUBSECTION (22)(b) IS REPEALED, EFFECTIVE JULY 1,  
6 2026.

7 **SECTION 5.** In Colorado Revised Statutes, 34-60-108, **add** (10)  
8 as follows:

9 **34-60-108. Rules - hearings - process.** (10) THE DIRECTOR OF  
10 THE COMMISSION MAY HIRE AND DESIGNATE EMPLOYEES OF THE  
11 COMMISSION AS ADMINISTRATIVE LAW JUDGES WHO HAVE THE AUTHORITY  
12 TO ADMINISTER OATHS, EXAMINE WITNESSES, RECEIVE EVIDENCE, AND  
13 CONDUCT HEARINGS, INVESTIGATIONS, AND OTHER PROCEEDINGS ON  
14 BEHALF OF THE COMMISSION.

15 **SECTION 6.** In Colorado Revised Statutes, **amend** 34-60-115 as  
16 follows:

17 **34-60-115. Limitation on actions.** (1) ~~NO~~ AN action or other  
18 proceeding based upon a violation of this ~~article~~ ARTICLE 60 or any rule  
19 ~~regulation~~, or order of the commission shall NOT be commenced or  
20 maintained unless it has been commenced within ~~one year from~~ THREE  
21 YEARS AFTER the date of the DISCOVERY OF THE alleged violation.

22 (2) THE THREE-YEAR PERIOD OF LIMITATION DESCRIBED IN  
23 SUBSECTION (1) OF THIS SECTION DOES NOT APPLY IF INFORMATION  
24 REGARDING THE ALLEGED VIOLATION IS KNOWINGLY OR WILLFULLY  
25 CONCEALED BY THE ALLEGED VIOLATOR.

26 **SECTION 7.** In Colorado Revised Statutes, 34-60-121, **amend**  
27 (1)(a), (1)(b), (1)(c)(I)(C), (1)(c)(I)(D), (1)(d), (1)(e), (4)(c), (5), (6),

1 (7)(a) introductory portion, and (7)(b) as follows:

2 **34-60-121. Violations - investigations - penalties - rules -**

3 **definition - legislative declaration.** (1) (a) Any ENERGY AND CARBON

4 MANAGEMENT operator that violates this ~~article~~ ARTICLE 60, any rule or

5 order of the commission, or any permit is subject to a penalty of not more

6 than fifteen thousand dollars for each act of violation per day that ~~such~~

7 THE violation continues. A VIOLATION DESCRIBED IN THIS SUBSECTION

8 (1)(a) CONTINUES FOR EACH DAY THAT IT IS NOT CORRECTED BY THE

9 ENERGY AND CARBON MANAGEMENT OPERATOR.

10 (b) The commission may impose a penalty by order only after a

11 hearing in accordance with section 34-60-108 or by an administrative

12 order by consent entered into by the commission and the ENERGY AND

13 CARBON MANAGEMENT operator.

14 (c) The commission shall:

15 (I) Promulgate rules that establish a penalty schedule appropriate

16 to the nature of the violation and provide for the consideration of any

17 aggravating or mitigating circumstances. The rules must establish the

18 basis for determining the duration of a violation for purposes of imposing

19 the applicable penalty and include presumptions that:

20 (C) The failure to diligently implement corrective action pursuant

21 to a schedule embodied in an administrative order on consent, order

22 finding violation, or other order of the commission constitutes an

23 independent violation for which the ENERGY AND CARBON MANAGEMENT

24 operator may be subject to additional penalties or corrective action orders

25 imposed by the commission; and

26 (D) The number of days of violation does not include any period

27 necessary to allow the ENERGY AND CARBON MANAGEMENT operator to

1 engage in good faith negotiation with the commission regarding an  
2 alleged violation if the ENERGY AND CARBON MANAGEMENT operator  
3 demonstrates a prompt, effective, and prudent response to the violation.

4 (d) An ENERGY AND CARBON MANAGEMENT operator subject to a  
5 penalty order shall pay the amount due within thirty days after its  
6 imposition unless the ENERGY AND CARBON MANAGEMENT operator files  
7 a judicial appeal. The commission may recover penalties owed under this  
8 section in a civil action brought by the attorney general at the request of  
9 the commission in the second judicial district. Money collected through  
10 the imposition of penalties shall MUST be credited first to any legal costs  
11 and attorney fees incurred by the attorney general in the recovery action  
12 and then to the environmental response account in the energy and carbon  
13 management cash fund created in section 34-60-122 (5).

14 (e) The general assembly hereby declares that the purposes of this  
15 subsection (1) are to deter noncompliance and to encourage any  
16 out-of-compliance ENERGY AND CARBON MANAGEMENT operators to come  
17 into compliance as soon as possible and to those ends intends that, in  
18 determining the amount of a penalty, the commission should not reduce  
19 the number of days of violation for which a penalty is assessed below that  
20 number which the evidence supports.

21 (4) (c) Whenever the commission or the director has reasonable  
22 cause to believe a violation of any provision of this article 60, any rule or  
23 order of the commission, or any permit has occurred, including based on  
24 a written complaint from any person, the commission or the director shall  
25 provide written notice to the ENERGY AND CARBON MANAGEMENT  
26 operator whose act or omission allegedly resulted in the violation and  
27 require that the ENERGY AND CARBON MANAGEMENT operator remedy the

1 violation. The notice must be served personally or by certified mail,  
2 return receipt requested, to the ENERGY AND CARBON MANAGEMENT  
3 operator or the ENERGY AND CARBON MANAGEMENT operator's agent for  
4 service of process and must state the provision alleged to have been  
5 violated, the facts alleged to constitute the violation, and any corrective  
6 action and abatement deadlines the commission or director elects to  
7 require of the ENERGY AND CARBON MANAGEMENT operator.

8 (5) (a) If an ENERGY AND CARBON MANAGEMENT operator fails to  
9 take corrective action required pursuant to subsection (4) of this section,  
10 or whenever the commission or the director has evidence that a violation  
11 of any provision of this ~~article~~ ARTICLE 60, or of any rule ~~regulation~~, or  
12 order of the commission, or of any permit has occurred, under  
13 circumstances deemed to constitute an emergency situation, the  
14 commission or the director may issue a cease-and-desist order to the  
15 ENERGY AND CARBON MANAGEMENT operator whose act or omission  
16 allegedly resulted in ~~such~~ THE violation. ~~Such~~ THE cease-and-desist order  
17 ~~shall~~ MUST require ~~such~~ action by the ENERGY AND CARBON  
18 MANAGEMENT operator as the commission or director deems appropriate.  
19 The order ~~shall~~ MUST be served personally or by certified mail, return  
20 receipt requested, to the ENERGY AND CARBON MANAGEMENT operator or  
21 the ENERGY AND CARBON MANAGEMENT operator's agent for service of  
22 process and ~~shall~~ MUST state the provision alleged to have been violated,  
23 the facts alleged to constitute the violation, the time by which the acts or  
24 practices cited are required to cease, and any corrective action the  
25 commission or the director elects to require of the ENERGY AND CARBON  
26 MANAGEMENT operator.

27 (b) The commission or the director may require an ENERGY AND

1 CARBON MANAGEMENT operator to appear for a hearing before the  
2 commission no sooner than fifteen days after the issuance of a  
3 cease-and-desist order; except that the ENERGY AND CARBON  
4 MANAGEMENT operator may request an earlier hearing. At any hearing  
5 concerning a cease-and-desist order, the commission shall permit all  
6 interested parties and any complaining parties to present evidence and  
7 argument and to conduct cross-examination required for a full disclosure  
8 of the facts.

9 (c) In the event THAT an ENERGY AND CARBON MANAGEMENT  
10 operator fails to comply with a cease-and-desist order, the commission  
11 may request the attorney general to bring suit pursuant to section  
12 34-60-109.

13 (6) If the commission determines, after a hearing conducted in  
14 accordance with section 34-60-108, that an ENERGY AND CARBON  
15 MANAGEMENT operator has failed to perform any corrective action  
16 imposed under subsection (4) of this section or failed to comply with a  
17 cease-and-desist order issued under subsection (5) of this section with  
18 regard to a violation of a permit provision, the commission may issue an  
19 order suspending, modifying, or revoking ~~such~~ THE permit or may take  
20 other appropriate action. An ENERGY AND CARBON MANAGEMENT  
21 operator subject to an order that suspends, modifies, or revokes a permit  
22 shall continue the affected operations only for the purpose of bringing  
23 ~~them~~ THE AFFECTED OPERATIONS into compliance with the permit or  
24 modified permit and ~~shall do so~~ MUST BRING THE AFFECTED OPERATIONS  
25 INTO COMPLIANCE under the supervision of the commission. Once the  
26 affected operations are in compliance to the satisfaction of the  
27 commission and any penalty not subject to judicial review or appeal has

1     been paid, the commission shall reinstate the permit.

2             (7) (a) The commission or the director shall issue an order to an  
3     ENERGY AND CARBON MANAGEMENT operator to appear for a hearing  
4     before the commission in accordance with section 34-60-108 whenever  
5     the commission or the director has evidence that an ENERGY AND CARBON  
6     MANAGEMENT operator is responsible for:

7             (b) If the commission finds, after such hearing, that the ENERGY  
8     AND CARBON MANAGEMENT operator is responsible under the legal  
9     standards specified in ~~paragraph (a) of this subsection (7), it~~ SUBSECTION  
10    (7)(a) OF THIS SECTION, THE COMMISSION may issue an order that prohibits  
11    the issuance of any new permits to the ENERGY AND CARBON  
12    MANAGEMENT operator, suspends any or all of the ENERGY AND CARBON  
13    MANAGEMENT operator's certificates of clearance, or both. When the  
14    ENERGY AND CARBON MANAGEMENT operator demonstrates to the  
15    satisfaction of the commission that it has brought each of the violations  
16    into compliance and that any penalty not subject to judicial review or  
17    appeal has been paid, the commission may vacate the order.

18            **SECTION 8.** In Colorado Revised Statutes, 34-60-124, **amend**  
19    (3), (4)(a)(II), (6)(a), (6)(c), (7), and (8)(b) as follows:

20            **34-60-124. Energy and carbon management cash fund -**  
21    **definitions - repeal.** (3) The money in the fund is subject to annual  
22    appropriation by the general assembly; except that money deposited in the  
23    fund constituting forfeited security or other financial assurance provided  
24    by ENERGY AND CARBON MANAGEMENT operators in accordance with  
25    section 34-60-106 (3.5), ~~(9)(c)(IV)(A)~~, and (13) is continuously  
26    appropriated to the commission for the purpose of fulfilling obligations  
27    under this article 60 upon which an ENERGY AND CARBON MANAGEMENT

1 operator has defaulted.

2 (4) The fund may be expended:

3 (a) By the commission, or by the director at the commission's  
4 direction, prior to, during, or after the conduct of any operations subject  
5 to the authority of the commission to:

6 (II) Gather background or baseline data on any air, water, soil, or  
7 biological resource that the commission determines may be so impacted  
8 by the conduct of ~~oil and gas~~ ENERGY AND CARBON MANAGEMENT  
9 operations; and

10 (6) For the purposes provided for in subsection (4) of this section,  
11 the commission is authorized to:

12 (a) Enter onto any lands or waters, public or private; and, except  
13 in emergency situations, the commission shall provide reasonable notice  
14 prior to such entry in order to allow a surface owner, local government  
15 designee, ENERGY AND CARBON MANAGEMENT operator, or responsible  
16 party to be present and to obtain duplicate samples and copies of  
17 analytical reports;

18 (c) Confiscate and sell for salvage any equipment abandoned by  
19 a responsible party at a location where the conduct of ~~oil and gas~~ ENERGY  
20 AND CARBON MANAGEMENT operations has resulted in a significant  
21 adverse environmental impact; except that this authority ~~shall be~~ IS  
22 subject to and secondary to any valid liens, security interests, or other  
23 legal interests in such equipment asserted by any taxing authority or by  
24 any creditor of the responsible party.

25 (7) If the commission determines that mitigation of a significant  
26 adverse environmental impact on any air, water, soil, or biological  
27 resource is necessary as a result of the conduct of ~~oil and gas~~ ENERGY

1 AND CARBON MANAGEMENT operations, the commission shall issue an  
2 order requiring the responsible party to perform ~~such~~ THE mitigation. If  
3 the responsible party cannot be identified or refuses to comply with ~~such~~  
4 THE order, the commission shall authorize the necessary expenditures  
5 from the fund. The commission shall bring suit in the second judicial  
6 district to recover ~~such~~ THE expenditures from any responsible party ~~who~~  
7 THAT refuses to perform ~~such~~ THE mitigation or any responsible party  
8 ~~who~~ THAT is subsequently identified, ~~such~~ THE action to be brought  
9 within a two-year period ~~from~~ AFTER the date that final expenditures were  
10 authorized. ~~Moneys~~ MONEY recovered as a result of ~~such~~ THE suit ~~shall~~  
11 MUST first be applied to the commission's legal costs and attorney fees  
12 and ~~shall~~ MUST then be credited to the fund.

13 (8) As used in this section:

14 (b) (I) "Responsible party" means any person who conducts an ~~oil~~  
15 ~~and gas~~ ENERGY AND CARBON MANAGEMENT operation in a manner that  
16 violates any then-applicable provision of this article 60, or of any rule or  
17 order of the commission, or of any permit that threatens to cause, or  
18 actually causes, a significant adverse environmental impact to any air,  
19 water, soil, or biological resource. "Responsible party" includes any  
20 person who disposes of any other waste by mixing it with exploration and  
21 production waste that threatens to cause, or actually causes, a significant  
22 adverse environmental impact to any air, water, soil, or biological  
23 resource.

24 (II) Except as otherwise provided in subsection (8)(b)(I) of this  
25 section, "responsible party" does not include any landowner, whether of  
26 the surface estate, mineral estate, or both, who does not engage in, or  
27 assume responsibility for, the conduct of ~~oil and gas~~ ENERGY AND



1 CARBON MANAGEMENT operations.

2 **SECTION 9.** In Colorado Revised Statutes, **amend** 34-60-131 as  
3 follows:

4 **34-60-131. No land use preemption.** Local governments and  
5 state agencies, including the commission and agencies listed in section  
6 34-60-105 (1)(b), have regulatory authority over ~~oil and gas development~~  
7 ENERGY AND CARBON MANAGEMENT OPERATIONS, including as specified  
8 in section 34-60-105 (1)(b). A local government's regulations may be  
9 more protective or stricter than state requirements.

10 **SECTION 10.** In Colorado Revised Statutes, 34-60-134, **repeal**  
11 (1)(b) as follows:

12 **34-60-134. Reporting of water used in oil and gas operations**  
13 **- cumulative reporting - definitions - rules - repeal. (1) Definitions.**  
14 As used in this section and in section 34-60-135, unless the context  
15 otherwise requires:

16 (b) "~~Disproportionately impacted community~~" has the meaning set  
17 forth in section ~~24-4-109 (2)(b)(II)~~.

18 **SECTION 11.** In Colorado Revised Statutes, **add** 34-60-140,  
19 34-60-141, 34-60-142, 34-60-143, and 34-60-144 as follows:

20 **34-60-140. Permitting and regulation of direct air capture**  
21 **facilities - surface owner consent - fees - rules. (1) THE COMMISSION**  
22 **SHALL ADOPT RULES RELATED TO THE PERMITTING AND REGULATION OF**  
23 **DIRECT AIR CAPTURE FACILITIES.**

24 (2) IN EXERCISING THE COMMISSION'S AUTHORITY PURSUANT TO  
25 SUBSECTION (1) OF THIS SECTION, THE COMMISSION SHALL:

26 (a) REGULATE DIRECT AIR CAPTURE FACILITIES IN THE STATE IN A  
27 MANNER THAT PROTECTS PUBLIC HEALTH, SAFETY, AND WELFARE,

1 INCLUDING THE PROTECTION OF THE ENVIRONMENT AND WILDLIFE  
2 RESOURCES;

3 (b) EVALUATE AND ADDRESS THE CUMULATIVE IMPACTS FROM A  
4 PROPOSED DIRECT AIR CAPTURE FACILITY ON THE AFFECTED AREA TO  
5 ENSURE THAT THE TERMS AND CONDITIONS OF A PERMIT ISSUED UNDER  
6 THIS SECTION ARE SUFFICIENT TO ENSURE THAT ANY NEGATIVE IMPACTS  
7 ARE AVOIDED, MINIMIZED TO THE EXTENT PRACTICABLE, AND, TO THE  
8 EXTENT THAT ANY NEGATIVE IMPACTS REMAIN, THAT THE NEGATIVE  
9 IMPACTS ARE MITIGATED. THE COMMISSION SHALL PROVIDE A PLAIN  
10 LANGUAGE SUMMARY OF HOW THE NEGATIVE IMPACTS ARE AVOIDED OR,  
11 IF NOT AVOIDED, MINIMIZED AND MITIGATED AND, IF ANY, THE NEGATIVE  
12 IMPACTS THAT CANNOT BE MITIGATED.

13 (c) IF THE DIRECT AIR CAPTURE FACILITY IS PROPOSED TO BE SITED  
14 IN AN AREA THAT WOULD AFFECT A DISPROPORTIONATELY IMPACTED  
15 COMMUNITY, WEIGH THE DIRECT AIR CAPTURE FACILITY OPERATOR'S  
16 SUBMITTED CUMULATIVE IMPACTS ANALYSIS AND DETERMINE WHETHER,  
17 ON BALANCE, THE DIRECT AIR CAPTURE FACILITY WILL HAVE A POSITIVE  
18 EFFECT ON THE DISPROPORTIONATELY IMPACTED COMMUNITY. A  
19 PROPOSAL THAT WILL HAVE NEGATIVE NET CUMULATIVE IMPACTS ON THE  
20 DISPROPORTIONATELY IMPACTED COMMUNITY MUST BE DENIED. THE  
21 COMMISSION'S DECISION MUST INCLUDE A PLAIN LANGUAGE SUMMARY OF  
22 ITS DETERMINATION.

23 (3) WHEN REVIEWING AN APPLICATION FOR A DIRECT AIR CAPTURE  
24 FACILITY, THE COMMISSION SHALL CONSIDER WHETHER A SETBACK OF THE  
25 DIRECT AIR CAPTURE FACILITY FROM RESIDENCES, SCHOOLS, OR  
26 COMMERCIAL BUILDINGS IS NECESSARY AND REASONABLE TO PROTECT  
27 AND MINIMIZE ADVERSE IMPACTS TO PUBLIC HEALTH, SAFETY, AND

1 WELFARE; THE ENVIRONMENT; AND WILDLIFE RESOURCES.

2 (4) (a) THE COMMISSION MAY ASSESS AND COLLECT PERMITTING  
3 AND REGULATORY FEES FROM OPERATORS OF DIRECT AIR CAPTURE  
4 FACILITIES IN AN AMOUNT AND FREQUENCY DETERMINED BY THE  
5 COMMISSION BY RULE.

6 (b) THE COMMISSION SHALL TRANSFER ALL FEES COLLECTED  
7 PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION TO THE STATE  
8 TREASURER, WHO SHALL CREDIT THE FEES TO THE ENERGY AND CARBON  
9 MANAGEMENT CASH FUND CREATED IN SECTION 34-60-122 (5)(a).

10 (5) AN OPERATOR SHALL NOT COMMENCE CONSTRUCTION OF A  
11 DIRECT AIR CAPTURE FACILITY WITHOUT FIRST:

12 (a) PROVIDING EVIDENCE TO THE COMMISSION:

13 (I) THAT THE OPERATOR HAS FILED AN APPLICATION WITH THE  
14 LOCAL GOVERNMENT WITH JURISDICTION TO APPROVE THE PROPOSED  
15 DIRECT AIR CAPTURE FACILITY AND OF THE LOCAL GOVERNMENT'S  
16 DISPOSITION OF THE APPLICATION OR THAT THE LOCAL GOVERNMENT WITH  
17 JURISDICTION DOES NOT REGULATE THE SITING OF DIRECT AIR CAPTURE  
18 FACILITIES; AND

19 (II) THAT THE OPERATOR HAS RECEIVED THE CONSENT OF ANY  
20 SURFACE OWNER OR OWNERS OF THE LAND WHERE THE SURFACE  
21 DISTURBANCE WILL OCCUR, AS EVIDENCED BY A WRITTEN CONTRACTUAL  
22 AGREEMENT WITH THE SURFACE OWNER OR OWNERS; AND

23 (b) OBTAINING AUTHORIZATION FROM THE COMMISSION PURSUANT  
24 TO THE RULES ADOPTED BY THE COMMISSION PURSUANT TO SUBSECTION  
25 (1) OF THIS SECTION.

26 **34-60-141. Ownership of geologic storage resources and**  
27 **carbon dioxide - legislative declaration.** (1) THE GENERAL ASSEMBLY

1       DECLARES THAT THIS SECTION IS INTENDED TO ALLOW FOR THE  
2       PERMANENT USE OF GEOLOGIC STORAGE RESOURCES FOR GEOLOGIC  
3       STORAGE OPERATIONS AND IS NOT INTENDED TO IMPACT THE USE OR  
4       OWNERSHIP OF THE SUBSURFACE FOR CONJUNCTIVE USE OF SURFACE AND  
5       GROUNDWATER RESOURCES, ARTIFICIAL RECHARGE, STORAGE, AND  
6       EXTRACTION INTENDED TO MAXIMIZE UTILIZATION OF WATER FOR  
7       BENEFICIAL USE OR OTHER OPERATIONS.

8               (2) (a) EXCEPT AS SET FORTH IN SUBSECTION (6) OF THIS SECTION:

9               (I) IF OWNERSHIP OF THE SEQUESTRATION ESTATE HAS NOT BEEN  
10              SEPARATELY SEVERED, CONVEYED, OR RESERVED PURSUANT TO  
11              SUBSECTION (2)(b) OF THIS SECTION, IT IS PRESUMED THAT OWNERSHIP OF  
12              THE SEQUESTRATION ESTATE IN THE STATE IS VESTED IN THE OWNER OF  
13              THE OVERLYING SURFACE ESTATE; AND

14             (II) OWNERSHIP OF CARBON DIOXIDE AND THE FACILITIES AND  
15             EQUIPMENT THAT STORE CARBON DIOXIDE IN THE STATE IS VESTED IN:

16             (A) THE PERSON THAT INJECTS THE CARBON DIOXIDE INTO A  
17             GEOLOGIC STORAGE RESOURCE; OR

18             (B) ANY PERSON CONVEYED TITLE TO THE CARBON DIOXIDE OR  
19             THE FACILITIES AND EQUIPMENT THAT STORE THE CARBON DIOXIDE BY THE  
20             PERSON DESCRIBED IN SUBSECTION (2)(a)(II)(A) OF THIS SECTION.

21             (b) OWNERSHIP OF A SEQUESTRATION ESTATE MAY BE:

22             (I) SEVERED FROM THE OWNERSHIP OF THE OVERLYING SURFACE  
23             ESTATE; AND

24             (II) CONVEYED OR RESERVED IN THE SAME MANNER AS OWNERSHIP  
25             OF A MINERAL ESTATE.

26             (3) ANY CONVEYANCE OF THE OWNERSHIP OF AN OVERLYING  
27             SURFACE ESTATE ALSO CONVEYS ALL OF THE GRANTOR'S OWNERSHIP OF

1 ANY SEQUESTRATION ESTATE UNLESS:

2 (a) THE CONVEYANCE INSTRUMENT EXPRESSLY RESERVES THE  
3 SEQUESTRATION ESTATE, INCLUDING BY BROAD RESERVATION OF PORE  
4 SPACE; OR

5 (b) THE SEQUESTRATION ESTATE HAS BEEN PREVIOUSLY SEVERED,  
6 BY RESERVATION OR CONVEYANCE, FROM THE OWNERSHIP OF THE  
7 OVERLYING SURFACE ESTATE.

8 (4) A CONVEYANCE OF THE OWNERSHIP OF A MINERAL ESTATE OR  
9 ANOTHER SUBSURFACE INTEREST DOES NOT CONVEY THE GRANTOR'S  
10 OWNERSHIP IN THE SEQUESTRATION ESTATE UNLESS THE CONVEYANCE  
11 INSTRUMENT EXPRESSLY PROVIDES FOR CONVEYANCE OF THE GRANTOR'S  
12 OWNERSHIP OF THE SEQUESTRATION ESTATE.

13 (5) OWNERSHIP IN A MINERAL ESTATE IS DOMINANT OVER  
14 OWNERSHIP IN A SEQUESTRATION ESTATE.

15 (6) NOTWITHSTANDING ANY PROVISION OF LAW TO THE  
16 CONTRARY, NOTHING IN THIS SECTION:

17 (a) AFFECTS ANY OWNERSHIP OR RIGHTS TO PORE SPACE, A  
18 SEQUESTRATION ESTATE, OR CARBON DIOXIDE OR TO FACILITIES AND  
19 EQUIPMENT THAT STORE CARBON DIOXIDE THAT ARE ACQUIRED OR  
20 RESERVED BEFORE THE EFFECTIVE DATE OF THIS HOUSE BILL 24-\_\_\_\_,  
21 ENACTED IN 2024;

22 (b) CHANGES OR ALTERS THE COMMON LAW AS OF THE EFFECTIVE  
23 DATE OF THIS HOUSE BILL 24-\_\_\_\_, ENACTED IN 2024, AS IT RELATES TO  
24 THE OWNERSHIP OF REAL PROPERTY, INCLUDING SURFACE ESTATES, PORE  
25 SPACE, OR A MINERAL ESTATE, OR TO THE RIGHTS OR DOMINANCE OF A  
26 MINERAL ESTATE; OR

27 (c) AFFECTS THE ABILITY OF AN OWNER OF PORE SPACE TO:

1 (I) BROADLY CONVEY OR RESERVE ALL OF THE OWNER'S RIGHT,  
2 TITLE, AND INTEREST IN AND TO PORE SPACE, INCLUDING THE OWNER'S  
3 INTEREST IN A SEQUESTRATION ESTATE; OR

4 (II) CONVEY OR RESERVE ANY RIGHT, TITLE, OR INTEREST IN AND  
5 TO ESTATES IN PORE SPACE OTHER THAN THE SEQUESTRATION ESTATE.

6 **34-60-142. Geologic storage units - legislative declaration -**  
7 **definitions.** (1) THE GENERAL ASSEMBLY DECLARES THAT THE PURPOSE  
8 OF THIS SECTION IS THE PROTECTION OF CORRELATIVE RIGHTS,  
9 FACILITATION OF COLORADO'S ENERGY RESOURCES, AND FACILITATION OF  
10 THE USE OF GEOLOGIC STORAGE RESOURCES FOR GEOLOGIC STORAGE  
11 OPERATIONS.

12 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
13 REQUIRES:

14 (a) "GEOLOGIC STORAGE UNIT ORDER" MEANS AN ORDER THAT  
15 PROVIDES FOR THE FORMATION OF A GEOLOGIC STORAGE UNIT AND THAT  
16 IS ENTERED BY THE COMMISSION PURSUANT TO SUBSECTION (4)(b) OF THIS  
17 SECTION.

18 (b) "PLAN" MEANS A PLAN FOR GEOLOGIC STORAGE OPERATIONS  
19 OF THE GEOLOGIC STORAGE UNIT APPROVED BY THE COMMISSION  
20 PURSUANT TO SUBSECTION (4)(c)(II) OF THIS SECTION.

21 (3) AN AGREEMENT FOR GEOLOGIC STORAGE OR GEOLOGIC  
22 STORAGE OPERATIONS, OR FOR CARRYING ON ANY OTHER METHODS OF  
23 UNIT OR COOPERATIVE DEVELOPMENT OR OPERATION OF A GEOLOGIC  
24 STORAGE RESOURCE, IS AUTHORIZED AND MAY BE PERFORMED, AND, IF  
25 THE AGREEMENT IS APPROVED BY THE COMMISSION AS BEING IN THE  
26 PUBLIC INTEREST OR IS REASONABLY NECESSARY FOR GEOLOGIC STORAGE  
27 OPERATIONS, DOES NOT VIOLATE ANY STATUTES RELATING TO TRUSTS,

1 MONOPOLIES, OR CONTRACTS AND COMBINATIONS IN RESTRAINT OF  
2 TRADE.

3 (4) (a) UPON THE APPLICATION OF ANY INTERESTED PERSON, THE  
4 COMMISSION SHALL HOLD A HEARING TO CONSIDER THE NEED FOR A  
5 GEOLOGIC STORAGE UNIT.

6 (b) THE COMMISSION SHALL ENTER AN ORDER PROVIDING FOR THE  
7 FORMATION OF A GEOLOGIC STORAGE UNIT IF THE COMMISSION FINDS THAT  
8 THE GEOLOGIC STORAGE UNIT IS REASONABLY NECESSARY TO EFFECTUATE  
9 A GEOLOGIC STORAGE PROJECT. THE GEOLOGIC STORAGE UNIT AREA OF A  
10 GEOLOGIC STORAGE UNIT MUST BE BASED ON SITE CHARACTERIZATION  
11 AND MODELING CONDUCTED PURSUANT TO THE FEDERAL "SAFE DRINKING  
12 WATER ACT", 42 U.S.C. SEC. 300f ET SEQ., AS AMENDED, AND ANY RULES  
13 ESTABLISHED BY THE COMMISSION PURSUANT TO THE FEDERAL ACT.

14 (c) A GEOLOGIC STORAGE UNIT ORDER MUST:

15 (I) INCLUDE TERMS AND CONDITIONS THAT ARE JUST AND  
16 REASONABLE;

17 (II) ESTABLISH A PLAN FOR OPERATIONS OF THE GEOLOGIC  
18 STORAGE UNIT, WHICH PLAN MUST INCLUDE:

19 (A) A DESCRIPTION OF THE GEOLOGIC STORAGE UNIT AREA;

20 (B) A DESCRIPTION OF THE OPERATIONS THAT WILL BE CONDUCTED  
21 IN THE GEOLOGIC STORAGE UNIT AREA;

22 (C) A DETERMINATION OF THE PERCENTAGE OF EACH GEOLOGIC  
23 STORAGE RESOURCE ALLOCATED TO EACH SEPARATELY OWNED TRACT  
24 WITHIN THE GEOLOGIC STORAGE UNIT AREA;

25 (D) A DESCRIPTION OF THE METHOD BY WHICH EACH OWNER OF A  
26 SEQUESTRATION ESTATE INCLUDED IN THE GEOLOGIC STORAGE UNIT AREA  
27 WILL BE ALLOCATED COMPENSATION RELATED TO THE USE OF THE

1 SEQUESTRATION ESTATE;

2 (E) A DESCRIPTION OF THE MANNER IN WHICH THE GEOLOGIC  
3 STORAGE UNIT AREA WILL BE SUPERVISED AND MANAGED AND, IF  
4 APPLICABLE, HOW COSTS RELATED TO OPERATIONS OF THE GEOLOGIC  
5 STORAGE UNIT WILL BE ALLOCATED AND PAID;

6 (F) THE TIME WHEN OPERATIONS OF THE GEOLOGIC STORAGE UNIT  
7 WILL COMMENCE AND THE MANNER IN WHICH, AND THE CIRCUMSTANCES  
8 UNDER WHICH, OPERATIONS OF THE GEOLOGIC STORAGE UNIT WILL  
9 TERMINATE; AND

10 (G) ANY ADDITIONAL PROVISIONS THAT ARE FOUND TO BE  
11 APPROPRIATE FOR CONDUCTING OPERATIONS OF THE GEOLOGIC STORAGE  
12 UNIT AND FOR THE PROTECTION OF CORRELATIVE RIGHTS.

13 (d) A GEOLOGIC STORAGE UNIT ORDER IS EFFECTIVE ONLY IF:

14 (I) THE PLAN HAS BEEN APPROVED IN WRITING BY THOSE PERSONS  
15 THAT, PURSUANT TO THE GEOLOGIC STORAGE UNIT ORDER, COLLECTIVELY  
16 OWN AT LEAST SEVENTY-FIVE PERCENT OF THE GEOLOGIC STORAGE  
17 RESOURCES INCLUDED IN THE GEOLOGIC STORAGE UNIT AREA; AND

18 (II) THE COMMISSION MAKES A FINDING IN THE GEOLOGIC STORAGE  
19 UNIT ORDER THAT THE PLAN HAS BEEN APPROVED IN ACCORDANCE WITH  
20 SUBSECTION (4)(d)(I) OF THIS SECTION.

21 (5) A GEOLOGIC STORAGE UNIT ORDER MAY BE AMENDED BY AN  
22 ORDER MADE BY THE COMMISSION IN THE SAME MANNER AND SUBJECT TO  
23 THE SAME CONDITIONS AS THE ORIGINAL GEOLOGIC STORAGE UNIT ORDER.

24 (6) ANY OWNER OF A SEQUESTRATION ESTATE INCLUDED IN THE  
25 GEOLOGIC STORAGE UNIT AREA THAT IS NOT INCLUDED IN THE GEOLOGIC  
26 STORAGE UNIT ORDER MAY PETITION THE COMMISSION FOR INCLUSION IN  
27 THE GEOLOGIC STORAGE UNIT ORDER.



1           (7) NOTWITHSTANDING ANY PROVISION OF LAW TO THE  
2 CONTRARY:

3           (a) NOTHING IN THIS SECTION CONFERS ON ANY PERSON THE RIGHT  
4 OF EMINENT DOMAIN; AND

5           (b) A GEOLOGIC STORAGE UNIT ORDER DOES NOT GRANT TO ANY  
6 PERSON THE RIGHT OF EMINENT DOMAIN.

7           (8) GEOLOGIC STORAGE OPERATIONS CONDUCTED PURSUANT TO  
8 A GEOLOGIC STORAGE UNIT ORDER, INCLUDING THE COMMENCEMENT,  
9 DRILLING, OR OPERATION OF A CLASS VI INJECTION WELL ON ANY PORTION  
10 OF THE GEOLOGIC STORAGE UNIT AREA, CONSTITUTE, FOR ALL PURPOSES,  
11 GEOLOGIC STORAGE OPERATIONS ON EACH SEPARATELY OWNED TRACT IN  
12 THE GEOLOGIC STORAGE UNIT AREA BY THE OWNERS OF SEQUESTRATION  
13 ESTATES INCLUDED IN THE GEOLOGIC STORAGE UNIT AREA.

14           (9) A GEOLOGIC STORAGE UNIT ORDER MUST NOT BE CONSTRUED  
15 TO RESULT IN A TRANSFER OF ALL OR ANY PART OF THE TITLE OF ANY  
16 PERSON TO THE SEQUESTRATION ESTATE OR ASSOCIATED RIGHTS IN ANY  
17 TRACT IN THE GEOLOGIC STORAGE UNIT AREA.

18           **34-60-143. Technical assistance to local governments.** TO  
19 PROVIDE A LOCAL GOVERNMENT WITH TECHNICAL ASSISTANCE REGARDING  
20 THE LOCAL GOVERNMENT'S DEVELOPMENT OF LAND USE AND SITING  
21 REGULATIONS FOR GEOLOGIC STORAGE OPERATIONS AND OPERATIONS OF  
22 DIRECT AIR CAPTURE FACILITIES, THE LOCAL GOVERNMENT THAT HAS  
23 LAND USE JURISDICTION MAY REQUEST THAT THE DIRECTOR OF THE  
24 COMMISSION APPOINT A TECHNICAL REVIEW BOARD TO ASSIST THE LOCAL  
25 GOVERNMENT BY ANALYZING AND ANSWERING ANY TECHNICAL  
26 QUESTIONS NECESSARY FOR THE LOCAL GOVERNMENT TO DEVELOP THE  
27 LOCAL GOVERNMENT'S ASSOCIATED LAND USE REGULATIONS.

1           **34-60-144. Coordination between the department of public**  
2 **health and environment and the commission on direct air capture**  
3 **facilities and geologic storage operations - definition.** (1) AS USED IN  
4 THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES,  
5 "DEPARTMENT" MEANS THE DEPARTMENT OF PUBLIC HEALTH AND  
6 ENVIRONMENT.

7           (2) (a) THE DEPARTMENT SHALL DEVELOP CARBON DIOXIDE  
8 ACCOUNTING PROCEDURES FOR DIRECT AIR CAPTURE FACILITIES AND  
9 GEOLOGIC STORAGE OPERATIONS. THE COMMISSION SHALL COMPILE  
10 RELEVANT DATA PURSUANT TO THE COMMISSION'S REGULATORY  
11 AUTHORITY TO SUPPORT THE CARBON DIOXIDE ACCOUNTING PROCEDURES  
12 DEVELOPED BY THE DEPARTMENT.

13           (b) THE COMMISSION AND THE DEPARTMENT SHALL WORK  
14 COLLABORATIVELY TO IMPLEMENT SUBSECTION (2)(a) OF THIS SECTION  
15 AND TO SHARE DATA TO FACILITATE THE MONITORING, VERIFICATION, AND  
16 ACCOUNTING OF CARBON DIOXIDE IN DIRECT AIR CAPTURE FACILITIES AND  
17 GEOLOGIC STORAGE OPERATIONS.

18           (3) THE COMMISSION AND THE DEPARTMENT SHALL WORK  
19 COLLABORATIVELY TO FACILITATE APPLICATION OF THE DEPARTMENT'S  
20 REGULATORY AUTHORITY TO ADDRESS AIR EMISSIONS FROM DIRECT AIR  
21 CAPTURE FACILITIES AND GEOLOGIC STORAGE OPERATIONS. THE  
22 COMMISSION SHALL REQUIRE OPERATORS OF DIRECT AIR CAPTURE  
23 FACILITIES AND GEOLOGIC STORAGE FACILITIES TO OBTAIN ANY RELEVANT  
24 PERMITS FROM THE DEPARTMENT.

25           **SECTION 12.** In Colorado Revised Statutes, 24-30-1003, **amend**  
26 (1) as follows:

27           **24-30-1003. Administrative law judges - appointment -**

1 **qualifications - standards of conduct.** (1) The executive director of the  
2 department of personnel may appoint ~~such~~ administrative law judges,  
3 except those employed pursuant to sections 24-50-103 (7), ~~34-60-108,~~  
4 and 40-2-104, ~~C.R.S.~~, as may be necessary to provide services to each  
5 state agency; except THAT the state personnel board, THE ENERGY AND  
6 CARBON MANAGEMENT COMMISSION, and the public utilities commission  
7 ~~entitled to~~ MAY use administrative law judges. Administrative law judges  
8 ~~shall~~ MUST be appointed in accordance with ~~the provisions of~~ section 13  
9 of article XII of the state constitution and the laws and rules governing  
10 the state personnel system.

11 **SECTION 13.** In Colorado Revised Statutes, 2-3-128, **amend**  
12 (1)(d) as follows:

13 **2-3-128. Oil and gas - performance audit - report - definitions**  
14 **- repeal.** (1) As used in this section, unless the context otherwise  
15 requires:

16 (d) "Operator" has the meaning set forth in section 34-60-103.  
17 ~~(6.8).~~

18 **SECTION 14.** In Colorado Revised Statutes, 25-7-132, **amend**  
19 (2)(a)(I) as follows:

20 **25-7-132. Emission data - public availability - submission of**  
21 **2023 reports to state auditor - definitions - repeal.** (2) (a) As used in  
22 this subsection (2), unless the context otherwise requires:

23 (I) "Operator" has the meaning set forth in section 34-60-103.  
24 ~~(6.8).~~

25 **SECTION 15.** In Colorado Revised Statutes, 25-15-101, **amend**  
26 (6)(b)(IX) and (6)(b)(X) as follows:

27 **25-15-101. Definitions.** As used in this article 15, unless the

1 context otherwise requires:

2 (6) (b) "Hazardous waste" does not include:

3 (IX) Waste from oil and gas operations, as defined in section  
4 34-60-103, ~~(6.5)~~, or from deep geothermal operations, as defined in  
5 section 37-90.5-103 (3), including, but not limited to, drilling fluids,  
6 produced water, and other wastes associated with the exploration,  
7 development, or production of crude oil, natural gas, or geothermal  
8 resources, that is disposed of in accordance with the requirements of the  
9 energy and carbon management commission pursuant to article 90.5 of  
10 title 37 and article 60 of title 34, as applicable; and

11 (X) Exploration and production waste, as defined in section  
12 34-60-103. ~~(4.5)~~.

13 **SECTION 16.** In Colorado Revised Statutes, 25-15-603, **amend**  
14 (15) as follows:

15 **25-15-603. Definitions - repeal.** As used in this part 6, unless the  
16 context otherwise requires:

17 (15) "Oil and gas operations" has the meaning set forth in section  
18 34-60-103. ~~(6.5)~~.

19 **SECTION 17.** In Colorado Revised Statutes, 29-20-104, **amend**  
20 (1)(h) introductory portion, (1)(h)(II), and (3)(a)(I) as follows:

21 **29-20-104. Powers of local governments - definition.**

22 (1) Except as expressly provided in section 29-20-104.2 or 29-20-104.5,  
23 the power and authority granted by this section does not limit any power  
24 or authority presently exercised or previously granted. Except as provided  
25 in section 29-20-104.2, each local government within its respective  
26 jurisdiction has the authority to plan for and regulate the use of land by:

27 (h) Regulating the surface impacts of ~~oil and gas operations~~, as

1 ~~defined in section 34-60-103 (6.5)~~ ENERGY AND CARBON MANAGEMENT  
2 OPERATIONS, AS DEFINED IN SECTION 34-60-103, deep geothermal  
3 operations, as defined in section 37-90.5-103 (3), ~~class VI injection wells,~~  
4 and intrastate underground natural gas storage facilities, as defined in  
5 section 34-64-102 (3.5), in a reasonable manner to address matters  
6 specified in this subsection (1)(h) and to protect and minimize adverse  
7 impacts to public health, safety, and welfare and the environment.  
8 Nothing in this subsection (1)(h) is intended to alter, expand, or diminish  
9 the authority of local governments to regulate air quality under section  
10 25-7-128. As used in this subsection (1)(h), "minimize adverse impacts"  
11 means, to the extent necessary and reasonable, to protect public health,  
12 safety, and welfare and the environment by avoiding adverse impacts  
13 from ~~oil and gas operations, as defined in section 34-60-103 (6.5)~~ ENERGY  
14 AND CARBON MANAGEMENT OPERATIONS, AS DEFINED IN SECTION  
15 34-60-103, deep geothermal operations, as defined in section 37-90.5-103  
16 (3), ~~class VI injection wells,~~ and intrastate underground natural gas  
17 storage facilities, as defined in section 34-64-102 (3.5), and minimizing  
18 and mitigating the extent and severity of those impacts that cannot be  
19 avoided. The following matters are covered by this subsection (1)(h):

20 (II) The location and siting of oil and gas facilities and oil and gas  
21 locations, as those terms are defined in section 34-60-103; ~~(6.2) and (6.4);~~  
22 deep geothermal operations, as defined in section 37-90.5-103 (3); ~~class~~  
23 ~~VI injection wells~~ ENERGY AND CARBON MANAGEMENT OPERATIONS, AS  
24 DEFINED IN SECTION 34-60-103; and intrastate underground natural gas  
25 storage facilities, as defined in section 34-64-102 (3.5);

26 (3) (a) To provide a local government with technical expertise  
27 regarding whether a preliminary or final determination of the location of

1 an oil and gas facility or oil and gas location within its respective  
2 jurisdiction could affect oil and gas resource recovery:

3 (I) Once an operator, as defined in section 34-60-103, ~~(6.8)~~, files  
4 an application for the location and siting of an oil and gas facility or oil  
5 and gas location and the local government has made either a preliminary  
6 or final determination regarding the application, the local government  
7 ~~having~~ THAT HAS land use jurisdiction may ask the director of the energy  
8 and carbon management commission pursuant to section 34-60-104.5 (3)  
9 to appoint a technical review board to conduct a technical review of the  
10 preliminary or final determination and issue a report that contains the  
11 board's conclusions.

12 **SECTION 18.** In Colorado Revised Statutes, 30-20-101, **amend**  
13 (6)(b)(VI) as follows:

14 **30-20-101. Definitions.** As used in this part 1, unless the context  
15 otherwise requires:

16 (6) (b) "Solid waste" does not include:

17 (VI) Exploration and production wastes, as defined in section  
18 34-60-103, ~~(4.5), C.R.S.~~, except as ~~such~~ THE EXPLORATION AND  
19 PRODUCTION wastes may be deposited at a commercial solid waste  
20 facility;

21 **SECTION 19.** In Colorado Revised Statutes, 39-29-112, **amend**  
22 (8)(a)(I) as follows:

23 **39-29-112. Procedures and reports - definitions - repeal.**

24 (8) (a) As used in this subsection (8), unless the context otherwise  
25 requires:

26 (I) "Operator" has the meaning set forth in section 34-60-103.  
27 ~~(6.8)~~.

1           **SECTION 20. Safety clause.** The general assembly finds,  
2 determines, and declares that this act is necessary for the immediate  
3 preservation of the public peace, health, or safety or for appropriations for  
4 the support and maintenance of the departments of the state and state  
5 institutions.